IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE P.R.RAMAN

THURSDAY, THE 21ST DECEMBER 2006 / 30TH AGRAHAYANA 1928

WP(C).No. 39956 of 2003(F)

PETITIONER:

GTN TEXTILES LIMITED, P.B.NO.101,
ALWAYE REP BY ITS DEPUTY GENERAL MANAGER,
(FINANCE), MR.P.R.SOMASKANDAN.

BY ADV. SRI.ANTONY DOMINIC
SRI.E.K.NANDAKUMAR
SRI.A.K.JAYASANKAR NAMBIAR
SMT.PRIYA MAHESH
SMT.PRIYA MANJOORAN

RESPONDENTS:
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1. THE STATE OF KERALA REP. BY THE
SECRETARY(TAXES DEPARTMENT) GOVERNMENT OF KERALA,
SECRETARIAT,
THIRUVANANTHAPURAM.

2. THE COMMISSIONER OF COMMERCIAL TAXES,
THIRUVANANTHAPURAM.

3. THE ASSISTANT COMMISSIONER(ASSMT)-II,
SPECIAL CIRCLE, SALES TAX OFFICE,
MATTANCHERRY, COCHIN 682 002.

BY GOVT. PLEADER SRI.SOJAN JAMES

THIS WRIT PETITION (CIVIL) HAVING BEEN FINALLY HEARD
ON 21/12/2006 ALONG WITH WP(C) NO.10222 OF 2004 AND CONNECTED CASES, THE
COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

APPENDIX

PETITIONER'S EXHIBITS:

EXT. P1: COPY OF THE NOTIFICATION ISSUED BY THE GOVERNMENT DATED 2-9-2002:

EXT. P2: COPY OF NOTIFICATION ISSUED BY THE GOVERNMENT DATED 25-6-2003.

EXT. P3: COPY OF THE ASSESSMENT ORDER ISSUED TO THE PETITIONER BY THE 3RD RESPONDENT FOR 2002-03 DATED 10-10-2003.

/TRUE COPY/

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P.R. RAMAN, J.

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W.P.(C) NOS. 39956/2003, 10222, 25767 32637& /2004, 620, 5193, 5918, 8247, 9508/2005, 13471, 14662, 21984, 24560, 25813, 26615, 27333, 28593, 29031, 32380, 32796, 33122, 34428& 35433 /2005,

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DATED THIS, THE 21ST DAY OF DECEMBER, 2006

J U D G M E N T

The challenge made in all these writ petitions is against the constitutional validity of the Kerala Tax on Entry of Goods into Local Areas Act, 1994. Petitioners pray for a declaration that the said Act is ultra vires of the provisions and hence unconstitutional.

2. A Division Bench of this Court in Thressiamma Chirayil v. State of Kerala (ILR 2007(1) Ker. 61), after considering the provisions contained in the Kerala tax on Entry of Goods into Local Areas Act, 1994, held that _levy of entry tax on goods imported from other States to the State of Kerala or from abroad is not compensatory in nature and is therefore discriminatory and in violation of Articles 14, 301 and 304 of the Constitution of India. In the light of the above said decision, these writ petitions are only to be allowed.

In the result, these writ petitions are allowed and the levy and demand notices issued to petitioners under the said Act are quashed.

P.R. RAMAN,
JUDGE.